

GREAT SALT LAKE MINERALS & CHEMICALS CORPORATION
A SUBSIDIARY OF GULF RESOURCES & CHEMICAL CORPORATION
P.O. BOX 1190 • 765 N. 10500 W. LITTLE MOUNTAIN • OGDEN, UTAH 84402 TEL. (801) 731-3100 • TWX (910) 971-5910

file
ACT/057/002
To Sue & Pam

JIM
MAR 15 1983

MAX J. REYNOLDS
VICE PRESIDENT OPERATIONS

March 11, 1983

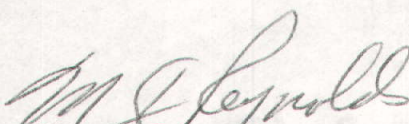
Mr. James W. Smith, Jr.
Coordinator of Mined Land Development
State of Utah
Natural Resources & Energy
4241 State Office Building
Salt Lake City, UT 84194

Re: Permitting Little Mountain Mine
ACT/057/002
Weber County, Utah

Dear Mr. Smith:

Please find enclosed a copy of the proposed Surety Contract not included with the previous information transmitted. The salvage company's formal bid has not yet been received but will be forwarded upon receipt of this information.

Sincerely,


Max J. Reynolds
MJR:dh
Enclosure

RECEIVED

MAR 15 1983

DIVISION OF
OIL, GAS & MINING

MINED LANDS SURETY CONTRACT

THIS CONTRACT, made and entered into this _____ day of _____, 19____, between Great Salt Lake Minerals & Chemicals Corporation (GSL), a Delaware Corporation (hereinafter called the "Operator"), and the Board of Oil, Gas, and Mining, duly authorized and existing by virtue of the laws of the State of Utah (hereinafter called the "Board").

W I T N E S S E T H :

WHEREAS, the Operator is the owner or lessee and is in possession of that certain mine and associated workings in the State of Utah (hereinafter called the "Mine"), the primary units of which are more particularly described on Exhibit "A", attached hereto and by this reference made a part hereof; and

WHEREAS, the Operator has filed a Notice of Intention to Commence Mining Operations and Mining and Reclamation Plan for the Mine; and

WHEREAS, aforesaid Notice and Plan have been approved by the Board as shown on Exhibit "B" attached hereto and by this reference made a part hereof; and

WHEREAS, the Operator is able and willing to conduct

reclamation operations at the Mine in accordance with the requirements specified in the aforesaid Notice and Plan, the Mined Land Reclamation Act, and the rules and regulations adopted in connection therewith; and

WHEREAS, the Board has considered the factual information and recommendations provided by the staff of the Division of Oil, Gas, and Mining as to the magnitude, type and costs of the approved reclamation activities planned for the Mine; and

WHEREAS, the Board is cognizant of the nature, extent, duration of the operation at the Mine, the Operator's financial status, and the Operator's ability to carry out the planned work.

NOW, THEREFORE, in consideration of the promises and covenants herein contained the Operator and the Board hereby agree as follows:

1. The Operator agrees to reclaim the land affected by mining activities at the Mine in accordance with the Operator's approved Mining and Reclamation Plan and any future amendments or additions thereto, the Mined Land Reclamation Act, and the Regulations adopted under said Act.

2. The Operator and the Board agree that, except as specifically provided herein, reclamation of the land affected by mining activities at the Mine shall be governed only by the

Operator's approved Mining and Reclamation Plan and any future amendments or additions thereto as approved by the Board or Division, along with applicable laws and regulations.

3. The Operator shall be an independent contractor and as such shall have no authorization to bind the State of Utah or the Board to any agreement except as herein set forth.

4. The Operator agrees to hold harmless the State of Utah, the Board, and the Division of Oil, Gas, and Mining from claims for personal injury or death, damages to personal property and liens of workmen and materialmen, howsoever caused in performance of this contract.

5. In lieu of accepting a bond or cash surety, the Board agrees to accept the Operator's personal guarantee as set forth in this contract, to reclaim the land affected by the Mine in accordance with the Operator's Mining and Reclamation Plan listed in Exhibit "B" and any future amendments or additions thereto, as approved by the Board.

6. The reclamation obligation for which this contract is a personal guaranty shall be released by the Board upon the completion of reclamation as specified in the State statute, regulations, and the approved Mining and Reclamation Plan applicable to the Mine. Any determination by the Division that the Operator has not complied with an applicable statute, regulation or the approved Mining and

Reclamation Plan requirement may be reviewed by the Board upon request of the Operator after notice and hearing.

7. This Contract shall fulfill the Operator's obligations under Section 40-8-14, Utah Code Annotated, and Rule M-5 of the Board's Regulations.

8. If the Operator does not comply with its obligations under this Contract as to the Mine, the Board shall give to the Operator a notice of noncompliance and shall initiate proceedings to revoke the approval of the Notice of Intention to Commence Mining Operations relating to the Mine. Such proceedings shall be governed by applicable law.

9. If the Mined Land Reclamation Act, the regulations adopted thereunder, or any other statute or regulation, are amended to remove the legal requirement serving as the basis for any provision of this Contract, the Operator will no longer be required to comply with such provision of the Contract. Nothing herein, however, shall be deemed to relieve the Operator from compliance with applicable laws and regulations relating to reclamation of land affected by the operations of any of the mines notwithstanding any provisions of this Contract.

10. This Contract shall supersede all individual surety contracts currently in force between GSL and the Board, unless GSL requests and the Division or Board, as appropriate, approves the

continuation in force of any such contract.

IN WITNESS WHEREOF, the parties hereto have respectively
set their hands and seals this _____ day of _____,
19____.

ATTEST:

GREAT SALT LAKE MINERALS &
CHEMICALS CORPORATION

SEAL

BOARD OF OIL, GAS, AND MINING

STATE OF UTAH)
 : ss.
COUNTY OF)

On the _____ day of _____, 19____, personally
appeared before me _____ who,
being by me duly sworn, did say that he is the _____
_____ of Great Salt Lake Minerals & Chemicals Corporation, a
corporation, and that the foregoing instrument was signed on behalf
of said corporation by authority of its Bylaws or a resolution of
its Board of Directors, and said _____
acknowledged to me that said corporation executed the same.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

_____, acting as Secretary
of the Board of Oil, Gas, and Mining of the State of Utah, hereby
certifies that the foregoing Surety Agreement was approved by the
Board on the _____ day of _____ 19____,
in Cause No. _____.

EXHIBIT A

<u>GSL Drawing No.</u>	<u>Description</u>
100-11-5-088	Solar Ponds and Pump Station Locations.
100-11-R-051	Pond Structure Listing
800-11-S-019	GSL Owned Property Containing Borrow Pits
820-01-5-008	Salt Plant Site Plot Plan
800-11-5-012	K ₂ SO ₄ and Na ₂ SO ₄ Plant Plot Plans with Utilities and Sanitary Fields
800-06-S-009	K ₂ SO ₄ and Na ₂ SO ₄ Plant Plot Plans with Utilities and Sanitary Fields
800-06-S-001	K ₂ SO ₄ and Na ₂ SO ₄ Plant Plot Plans with Utilities and Sanitary Fields
00-50-126	K ₂ SO ₄ and Na ₂ SO ₄ Plant Plot Plans with Utilities and Sanitary Fields

EXHIBIT B

(Reference Approved Mining and Reclamation Plan)